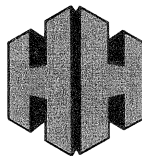


Management Letter

SUSSEX ACADEMY OF ARTS AND SCIENCES
(A Component Unit of the State of Delaware)
Georgetown, Delaware

Year Ended June 30, 2006



HAGGERTY & HAGGERTY, P.A.

**CERTIFIED PUBLIC ACCOUNTANTS
& MANAGEMENT CONSULTANTS**

James R. Zdimal, CPA†
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American Institute of CPA
Pennsylvania Institute of CPA*
Delaware Society of CPA†
Private Companies Practice Section

Management Letter

To the Members of the Board
Sussex Academy of Arts and Sciences
Wilmington, Delaware

In planning and performing our audit of the financial statements of Sussex Academy of Arts and Sciences (a component unit of the State of Delaware) for the year ended June 30, 2006, we considered the School's internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control.

During the audit we became aware of matters that are opportunities for strengthening internal control and increasing efficiency. The memorandum that accompanies this letter summarizes our findings and recommendations regarding those matters. A separate report dated September 15, 2006, contains our report on reportable conditions in the School's internal control. The letter does not affect our report on the School's financial statements, dated September 15, 2006.

The matters noted are only those that came to our attention and, had our procedures for internal control related matters been more extensive, other matters might have been noted. Also, the functioning of the internal control was assessed at a point in time, and no assurances can be drawn that the internal control is functioning or will continue to function beyond the point in time at which it was assessed. No opinion is being expressed regarding the internal control taken as a whole.

The status of the findings will be reviewed in the subsequent audit engagement. We have discussed these matters with the School's personnel and we would be pleased to discuss them in further detail, to perform any additional study, or to assist the School in the implementation of the recommendations.

This report is intended solely for the information and use of management, School Board, Department of Education, Office of the Governor, Office of Controller General, Office of Attorney General, Office of the Budget, Office of Auditor of Accounts, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, under 29 Del. C., Section 10002(d), this report is a public record and its distribution is not limited.


Certified Public Accountants

September 15, 2006
Wilmington, Delaware

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Sussex Academy of Arts and Sciences
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LIST OF FINDINGS FOLLOWS:

<u>Current Findings</u>	<u>Description</u>
1	School Food Services

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CURRENT FINDINGS

Finding Number 1 - School Food Services

Our review of the activities of the school food services revealed that reconciliations are not performed between student orders and vendor billings.

Recommendation

We recommend that the School reconcile student order forms, order sheets and vendor invoices.

Management Response and Correction Action

"Beginning with fiscal year 2007, Sussex Academy of Arts and Sciences has put in place an improved system to reconcile student order forms, order sheets, and vendor invoices."